RISING TREETOPS AT OAKHURST

FINANCIAL STATEMENTS

DECEMBER 31, 2024

RISING TREETOPS AT OAKHURST

CONTENTS

GRASSI

INDEPENDENT AUDITORS' REPORT

To The Board of Directors
Rising Treetops at Oakhurst
New York, New York

Opinion

We have audited the accompanying financial statements of Rising Treetops at Oakhurst, which comprise the statement of financial position as of December 31, 2024, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Rising Treetops at Oakhurst as of December 31, 2024, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Rising Treetops at Oakhurst and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Rising Treetops at Oakhurst's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Rising Treetops at Oakhurst's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Rising Treetops at Oakhurst's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Grassi & Co, CPAs, P.C.

GRASSI & CO., CPAs, P.C.

New York, New York
August 20, 2025

RISING TREETOPS AT OAKHURST
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2024

ASSETS

Cash and cash equivalents	$ 1,556,487
Investments	2,740,727
Accounts receivable	360,154
Investment in real estate partnerships	14,867
Other assets	50,453
Operating lease right-of-use assets	22,824
Land	17,120
Building and improvements (net of $4,765,583 of accumulated depreciation)	1,508,484
Equipment (net of $1,017,167 of accumulated depreciation)	139,305
TOTAL ASSETS	$ 6,410,421

LIABILITIES AND NET ASSETS

LIABILITIES:	
Accounts payable and accrued expenses	$ 109,994
Due to government agencies	101,488
Contract liabilities	5,703
Operating lease liabilities	22,964
Total Liabilities	240,149
CONTINGENCIES	
NET ASSETS:	
Without donor restrictions:	
Operating	2,787,734
Board designated	70,073
Land, building and equipment	1,664,909
Total Net Assets Without Donor Restrictions	4,522,716
With donor restrictions:	
Purpose restricted	235,965
Endowment	1,411,591
Total Net Assets with Donor Restrictions	1,647,556
Total Net Assets	6,170,272
TOTAL LIABILITIES AND NET ASSETS	$ 6,410,421

The accompanying notes are an integral part of these financial statements.

RISING TREETOPS AT OAKHURST
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2024

	Without Donor Restrictions	With Donor Restrictions: Purpose Restricted	With Donor Restrictions: Endowment	Total
OPERATING REVENUE:				
Contributions	$ 626,984	$ -	$ -	$ 626,984
Government program fees	2,296,362	-	-	2,296,362
Workforce stabilization revenue	9,901	-	-	9,901
Shore Friends of Rising Treetops at Oakhurst	46,201	-	-	46,201
UJA - Federation of N.Y.	50,000	-	-	50,000
Special events, net of direct cost of special events of $27,438	212,903	-	-	212,903
Direct client fees	255,443	-	-	255,443
Program fees	18,581	-	-	18,581
Rental income	28,202	-	-	28,202
Total Operating Revenue	3,544,577	-	-	3,544,577
OPERATING EXPENSES:				
Program services	3,050,081	-	-	3,050,081
Supporting services:				
Management and general	396,734	-	-	396,734
Fundraising	116,483	-	-	116,483
Total Operating Expenses	3,563,298	-	-	3,563,298
CHANGE IN NET ASSETS FROM OPERATIONS	(18,721)	-	-	(18,721)
NONOPERATING REVENUES AND EXPENSES:				
Investment gain	162,390	-	194,853	357,243
Interest and dividends	44,398	-	-	44,398
Contributions	1,984	108,327	-	110,311
Other income	20,037	-	-	20,037
Gain on investment in real estate partnership	241	-	-	241
Net assets released from donor restrictions	393,165	(367,127)	(26,038)	-
Total Nonoperating Revenues and Expenses	622,215	(258,800)	168,815	532,230
CHANGE IN NET ASSETS	603,494	(258,800)	168,815	513,509
NET ASSETS, BEGINNING OF YEAR	3,919,222	494,765	1,242,776	5,656,763
NET ASSETS, END OF YEAR	$ 4,522,716	$ 235,965	$ 1,411,591	$ 6,170,272

The accompanying notes are an integral part of these financial statements.

RISING TREETOPS AT OAKHURST
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2024

	Program Services				Supporting Services				
	Summer Camp	Emergency Respite Care	Traditional Respite Care	Total Program Services	Management and General	Fundraising	Total Supporting Services	Direct Cost of Special Events	Total
Salaries	$ 327,629	$ 179,879	$ 874,252	$ 1,381,760	$ 144,076	$ 38,380	$ 182,456	$ -	$ 1,564,216
Payroll taxes and employee benefits	81,080	44,590	216,215	341,885	35,818	9,528	45,346	-	387,231
Total Salaries and Related Benefits	408,709	224,469	1,090,467	1,723,645	179,894	47,908	227,802	-	1,951,447
Contracted services	5,657	4,282	16,674	26,613	10,413	2,774	13,187	-	39,800
Occupancy and utilities	57,282	8,243	61,354	126,879	20,082	8,546	28,628	-	155,507
Professional fees	13,718	1,975	14,693	30,386	131,495	47,390	178,885	-	209,271
Food	83,479	12,013	89,414	184,906	-	-	-	-	184,906
Program supplies	44,973	6,472	48,170	99,615	-	-	-	-	99,615
Repairs and maintenance	75,926	23,463	109,467	208,856	1,200	514	1,714	-	210,570
Insurance	20,258	11,141	54,022	85,421	8,949	2,380	11,329	-	96,750
Recruitment	83,782	1,070	5,482	90,334	1,729	460	2,189	-	92,523
Catering and entertainment	-	-	-	-	-	-	-	27,438	27,438
Communications	15,760	9,500	42,917	68,177	7,964	3,812	11,776	-	79,953
Stationery, printing and office supplies	9,211	5,247	24,771	39,229	5,368	1,318	6,686	-	45,915
Travel and transportation	8,329	6,443	24,359	39,131	-	-	-	-	39,131
Depreciation	58,523	45,272	171,050	274,845	-	-	-	-	274,845
Miscellaneous	16,673	6,000	29,371	52,044	29,640	1,381	31,021	-	83,065
Total Other than Salaries and Related Benefits	493,571	141,121	691,744	1,326,436	216,840	68,575	285,415	27,438	1,639,289
Total Expenses	902,280	365,590	1,782,211	3,050,081	396,734	116,483	513,217	27,438	3,590,736
Direct cost of special events	-	-	-	-	-	-	-	(27,438)	(27,438)
TOTAL EXPENSES REPORTED BY FUNCTION ON THE STATEMENT OF ACTIVITIES	$ 902,280	$ 365,590	$ 1,782,211	$ 3,050,081	$ 396,734	$ 116,483	$ 513,217	$ -	$ 3,563,298

The accompanying notes are an integral part of these financial statements.

RISING TREETOPS AT OAKHURST
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2024

CASH FLOWS FROM OPERATING ACTIVITIES:	
Change in net assets	$ 513,509
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	274,845
Realized gain on investments	(128,439)
Unrealized gain on investments	(228,804)
Gain on investment in real estate partnership	(241)
Noncash lease expense	33,260
Changes in assets:	
Accounts receivable	87,218
Other assets	27,400
Changes in liabilities:	
Accounts payable and accrued expenses	(95,241)
Construction payable	(37,063)
Due to government agencies	6,756
Operating lease liabilities	(33,120)
Net Cash Provided By Operating Activities	420,080
CASH FLOWS FROM INVESTING ACTIVITIES:	
Purchase of investments	(127,988)
Proceeds from sale of investments	128,438
Distribution from real estate partnership	4,382
Fixed asset acquisitions	(234,600)
Net Cash Used In Investing Activities	(229,768)
NET CHANGE IN CASH AND CASH EQUIVALENTS	190,312
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	1,366,175
CASH AND CASH EQUIVALENTS, END OF YEAR	$ 1,556,487

The accompanying notes are an integral part of these financial statements.

Note 1 - Nature of Operations and Summary of Significant Accounting Policies

Rising Treetops at Oakhurst (the "Organization") is a not-for-profit organization exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. The purpose of the Organization is to enhance the quality of life for children and adults with special needs, including autism and physical and intellectual disabilities, and provide respite for their families through a year-round camp experience.

The primary sources of funding for the Organization are government grants and contracts, private charitable contributions, and program fees.

Basis of Accounting

The financial statements are prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP").

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

Cash and cash equivalents include highly liquid investments with initial maturities when acquired of three months or less.

Investments

Investments are stated at the readily determinable fair market value in accordance with the Not-for-Profit Entities topic of the Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC"). All interest, dividends and realized and unrealized gains and losses are reported in the statement of activities as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulations or by law.

Fair Value Measurement

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. To increase the comparability of fair value measurements, a framework for measuring fair value is used which provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

Note 1 - Nature of Operations and Summary of Significant Accounting Policies (cont'd.)

Fair Value Measurement (cont'd.)

The three levels of the fair value hierarchy under FASB ASC Topic 820, *Fair Value Measurement,* are described as follows:

Level 1 - Valuations based on quoted prices for identical assets and liabilities in active markets.

Level 2 - Valuations based on observable inputs other than quoted prices included in Level 1, such as quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets and liabilities in markets that are not active, or other inputs that are observable or can be corroborated by observable market data.

Level 3 - Valuations based on unobservable inputs reflecting the Organization's own assumptions, consistent with reasonably available assumptions made by other market participants. These valuations require significant judgment.

Refer to Note 4 for assets measured at fair value at December 31, 2024 in accordance with FASB ASC Topic 820.

Investment in Real Estate

The Organization is invested in four real estate partnerships. The following is a summary of the investments held at December 31, 2024:

	Ownership Percentage	Valuation Method	Value at December 31, 2024	
Audubon Partners, LLC	2.97%	Equity method	$ -	a
Village Park Summit, LLC	3.42%	Equity method	14,867	
Roanoke Member 4, LLC	0.47%	Equity method	-	b
Charlotte Member 4, LLC	0.47%	Equity method	-	c
			$ 14,867	

The Organization's capital account balance at December 31, 2024 was $(38,545). As the Organization has no legal obligation to fund the deficit, the fair value of the Organization's investment at December 31, 2024 was $0.

a The Organization's capital account balance at December 31, 2024 was $(26,406). As the Organization has no legal obligation to fund the deficit, the fair value of the Organization's investment at December 31, 2024 was $0.

b The Organization's capital account balance at December 31, 2024 was $(44,173). As the Organization has no legal obligation to fund the deficit, the fair value of the Organization's investment at December 31, 2024 was $0.

Note 1 - Nature of Operations and Summary of Significant Accounting Policies (cont'd.)

Allowance for Credit Losses

The allowance for credit losses estimate is based on management's assessment of the creditworthiness of its funders, the aged basis of its receivables, current and future economic conditions, and historical information. Receivables are charged off against the allowance for credit losses when they are determined to be uncollectible based upon a periodic review of the accounts by management. Factors used to determine whether an allowance should be recorded include the age of the receivable and a review of payments subsequent to year-end. If management determines an allowance is necessary, the resulting change will be an increase or decrease to credit loss expense. Interest income is not accrued or recorded on accounts receivable.

Management has determined that there was no need to record an allowance for credit losses as of December 31, 2024.

Fixed Assets

Fixed assets are recorded at cost. Items with a cost of $500 or more and an estimated useful life of more than one year are capitalized. Depreciation of fixed assets is provided over the estimated useful lives of the assets utilizing the straight-line method. Estimated useful lives are as follows:

Building and improvements	5 to 35 years
Equipment	5 to 10 years

Contract Assets

Amounts related to services provided to customers which have not been billed and that do not meet the conditions of an unconditional right to payment at the end of the reporting period are classified as contract assets. Contract assets consist primarily of services provided to customers who are still receiving services at the end of the year. There were no contract assets at December 31, 2024 and January 1, 2024.

Contract Liabilities

Contract liabilities represent revenue that has been deferred for the funds advanced by third-party payors for the Organization's contracts related to services that have not yet been provided to customers. Contract liabilities consist of payments made by funding sources for the Organization's contract for services not yet performed that are expected to be performed within the next fiscal year. Contract liabilities as of December 31, 2024 and January 1, 2024 were $5,703.

Note 1 - Nature of Operations and Summary of Significant Accounting Policies (cont'd.)

Net Assets

Net assets without donor restrictions include operating activities, which are amounts that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. The Board of Directors (the "Board") established a reserve fund called the Happy Days Fund (the "Fund") which has a balance of $70,073 as of December 31, 2024. The Fund will be used at the discretion of the Board, by a vote of the Board or its Executive Committee for any purpose the Board or Executive Committee designates.

Net assets with donor restrictions are amounts that are restricted by donors for specific purposes (purpose restricted) or are those which are established by donor-restricted gifts and bequests to provide an endowment (endowments).

Functional Expenses

The financial statements report certain categories of expenses that are attributable to one or more program or supporting services of the Organization. Those expenses include program administration, including staff and contracted services, occupancy, repairs and maintenance, and communications. These expenses are derived each year from ratio calculations of annual client hours or service and the number of days served.

Direct Client Fees

The Organization receives income directly from clients for the provision of services. Revenue is reported at the amount that reflects the consideration to which the Organization expects to be entitled in exchange for providing the services. The Organization bills for the services as they are provided, on a monthly basis. Receivables are due in full when billed, and revenue is recognized as performance obligations are satisfied.

Note 1 - Nature of Operations and Summary of Significant Accounting Policies (cont'd.)

Contributions

Contributions are provided to the Organization either with or without donor restrictions. Revenues and net assets are separately reported to reflect the nature of those gifts - with or without donor restrictions. The value recorded for each contribution or grant is recognized as follows:

Nature of the Gift	Value Recognized
Conditional gifts, with or without restrictions	
Gifts that depend on the Organization overcoming a donor-imposed barrier to be entitled to the funds	Not recognized until the gift becomes unconditional, i.e., the donor-imposed barrier is met
Unconditional gifts, with or without restrictions	
Received at date of gift - cash and other assets	Fair value
Received at date of gift - property, equipment and long-lived assets	Estimated fair value
Expected to be collected within one year	Net realizable value
Collected in future years	Initially reported at fair value determined using the discounted present value of estimated future cash flows technique

In addition to the amount initially recognized, revenue for unconditional gifts to be collected in future years is also recognized each year as the present-value discount is amortized using the level yield method.

When a donor-stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from donor restrictions. Absent explicit donor stipulations for the period of time that long-lived assets must be held, expirations of restrictions for gifts of land, buildings, equipment and other long-lived assets are reported when those assets are placed in service.

Note 1 - Nature of Operations and Summary of Significant Accounting Policies (cont'd.)

Leases

The Organization applies a two-model approach to all leases in which it is a lessee and classifies leases as either finance or operating leases based on the principle of whether or not the lease is effectively a financed purchase by the Organization. Lease classification is evaluated at the inception of the lease agreement. Regardless of classification, the Organization records a right-of-use asset and a lease liability for all leases with a term greater than 12 months. In order to calculate the lease liability, certain assumptions related to lease terms and discount rates are made. Renewal options are evaluated in the determination of lease terms. When available, the Organization uses the rate implicit in the lease or a borrowing rate based on similar debt to discount lease payments. However, when a lease does not provide a readily determinable implicit rate, and the Organization's existing debt does not have similar terms, the Organization uses the U.S. Treasury rate constant maturity at each lease commencement date to discount lease payments. At December 31, 2024, the Organization applied a discount rate of 4.65%.

Measure of Operations

Changes in net assets from operations include all revenues and expenses for the period except for investment income, non-operating contributions, other income, gain on investment in real estate partnership, and net assets released from donor restrictions.

Accounting for Uncertainty in Income Taxes

The Organization has determined that there are no material uncertain tax positions that require recognition or disclosure in the financial statements. The Organization is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Organization believes it is no longer subject to income tax examinations for years prior to 2021.

Note 2 - Revenue from Contracts with Government Agencies

Service Revenue

The Organization receives funding from New York State Office for People with Developmental Disabilities ("OPWDD") to provide services to individuals with developmental disabilities. Revenue is reported at the amount that reflects the consideration to which the Organization expects to be entitled in exchange for providing the support and services. These amounts are due from third-party payors and others and include variable consideration for retroactive revenue adjustments due to settlement of audits, reviews and investigations.

Generally, the Organization bills third-party payors after the services are performed or they have completed their portion of the contract. Receivables are due in full when billed, and revenue is recognized as performance obligations are satisfied. Accounts receivable at December 31, 2024 and January 1, 2024 were $360,154 and $447,372, respectively.

Note 2 - Revenue from Contracts with Government Agencies (cont'd.)

Performance Obligations and Transaction Price Allocated to Remaining Performance Obligations

Performance obligations are determined based on the nature of the services provided by the Organization in accordance with the contract. Revenue for performance obligations satisfied over time is recognized as the services are provided based on per diem rates. The Organization believes this method provides a faithful depiction of the transfer of services over the term of the performance obligation based on the inputs needed to satisfy the obligation. The Organization measures the performance obligation from the beginning of the next month or day to the point when it is no longer required to provide services under the contract or has met the requirements to bill for the services provided, which is generally at the end of each month or period of time allowed based on the government agencies' stipulations.

Because all of its performance obligations relate to contracts with durations of less than one year, the Organization has elected to apply the optional exemption provided in FASB ASC Subtopic 606-10-50-14(1) and, therefore, is not required to disclose the aggregate amount of the transaction price allocated to performance obligations that are unsatisfied or partially unsatisfied at the end of the reporting period. The performance obligations for these contracts are generally completed when the service is completed and upon submission of required documentation, which is usually at each month-end.

The Organization determines the transaction price based on established rates and contracts for services provided. The initial estimate of the transaction price is determined by reducing the established rates for services provided by any implicit price concessions based on historical collection experience with each government agency and school district. The Organization has determined that the nature, amount, timing and uncertainty of revenue and cash flows are affected by the payors and service lines. Subsequent changes to the estimate of the transaction price are generally recorded as adjustments to revenue in the period of the change.

Third-Party Payors

Agreements with third-party payors are based on pre-determined rates for established services as they are provided, on a quarterly hour basis.

Significant Judgments

Laws and regulations concerning government programs are complex and subject to varying interpretation. There can be no assurance that regulatory authorities will not challenge the Organization's compliance with these laws and regulations, and it is not possible to determine the impact, if any, such claims or penalties would have upon the Organization.

From time to time, the Organization will receive overpayments resulting in amounts owed back to the government agency. In addition, contracts that the Organization has with certain government agencies provide for reconciliation and retroactive audit and review of documentation and annual report filings. These amounts are excluded from revenues and are recorded as liabilities until they are refunded. As of December 31, 2024, the Organization has an estimated liability for amounts due to government agencies of $101,488.

Note 2 - Revenue from Contracts with Government Agencies (cont'd.)

Reimbursement Method

Revenue of $2,296,362 for the year ended December 31, 2024 was recognized as the service transferred over time.

Financing Component

The Organization has elected the practical expedient allowed under FASB ASC Subtopic 606-10-32-18 and does not adjust the promised amount of consideration from customers and third parties for the effects of a significant financing component due to the Organization's expectation that the period between when the time the service is provided to a customer and the time the customer or a third-party payor pays for that service will be one year or less.

Contract Costs

The Organization has applied the practical expedient provided by FASB ASC Subtopic 340-40-25-4, and all incremental customer contract acquisition costs are expensed as they are incurred, as the amortization period of the asset that the Organization otherwise would have recognized is one year or less in duration.

Note 3 - Concentration of Credit Risk

Substantially all of the Organization's cash balances are maintained in three financial institutions. Such balances are insured by the Federal Deposit Insurance Corporation ("FDIC") for up to $250,000 per institution. In addition, the Organization's investments are maintained at a financial institution insured through the Securities Investor Protection Corporation ("SIPC") for up to $500,000. At December 31, 2024, and from time to time during the year then ended, the Organization's balances exceeded these limits.

Note 4 - Fair Value Measurement

The following is a description of the valuation methodology used for assets measured at fair value. There has been no change in the methodology used at December 31, 2024 as compared to that used at December 31, 2023.

Mutual Funds: Valued at the daily closing price as reported by the fund. Mutual funds held by the Organization are open-end mutual funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily net asset value and to transact at that price. The mutual funds held by the Organization are deemed to be actively traded.

The following table presents the Organization's assets that are measured at fair value on a recurring basis at December 31, 2024:

	Total	Level 1	Level 2	Level 3
Investments:				
Mutual funds	$ 2,740,727	$ 2,740,727	$ -	$ -

Note 5 - Purpose Restricted Net Assets

Purpose restricted net assets consisted of the following at December 31, 2024:

Program development	$ 235,965

Purpose restricted net assets were released from restrictions by incurring expenses satisfying the following purposes for the year ended December 31, 2024:

Capital projects	$ 367,127

Note 6 - Endowments

The Organization's endowment consists of three individual donor-restricted endowment funds. As required by U.S. GAAP, net assets associated with endowment funds are classified and reported based on the existence of donor-imposed restrictions.

Interpretation of Relevant Law

The Organization interprets New York State law, the New York Prudent Management of Institutional Funds Act ("NYPMIFA"), as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Organization classifies as net assets with donor restrictions (a) the original value of gifts donated to the permanent endowment and (b) the original value of subsequent gifts to the permanent endowment. Currently, there are no provisions in donor gift instruments that provide for any other accumulations to the permanent endowments.

It is the Organization's policy that any remaining portion of the donor-restricted endowment funds is classified as time restricted until those amounts are appropriated for expenditure by the Organization in a manner consistent with the standard of prudence prescribed by NYPMIFA. The amounts appropriated for expenditure represent amounts that were spent within the year in satisfying the purpose restriction. The Organization has considered the following factors in making a determination to appropriate or calculate donor-restricted endowment funds:

1. Duration of the fund
2. General purposes of the Organization and the donor-restricted endowment funds
3. General economic conditions
4. Possible effect of inflation or deflation
5. Expected total return from income and appreciation of investments
6. Other resources of the Organization
7. Investment policy of the Organization

Note 6 - Endowments (cont'd.)

Return Objectives, Strategies Employed and Spending Policy

The objective of the Organization is to maintain the principal endowment funds at the original amount designated by the donor while generating income. Interest earned in relation to the endowment funds is recorded as net assets with donor restrictions and released from restriction upon expenditure for the program for which the endowment fund was established. The Organization's policy is to calculate the 12-quarter average value of the endowment funds as of June 30 to approve an appropriation up to 5%, and in special circumstances up to 7%, for the spending in the upcoming year.

Endowment Net Asset Composition by Type of Fund as of December 31, 2024

	With Donor Restrictions		
	Accumulated Earnings	Original Donor Gift	Total
Eisenberg Scholarship Fund	$ 94,885	$ 98,577	$ 193,462
Charles A. and Mary De Bare Fund	581,170	538,831	1,120,001
Clara Rabinowitz Scholarship Fund	48,128	50,000	98,128
	$ 724,183	$ 687,408	$ 1,411,591

Changes in Endowment Net Assets for the Year Ended December 31, 2024

	With Donor Restrictions		
	Accumulated Earnings	Original Donor Gift	Total
Endowment net assets, beginning of year	$ 555,368	$ 687,408	$ 1,242,776
Investment gain, net	194,853	-	194,853
Appropriation of funds for expenditures	(26,038)	-	(26,038)
Endowment net assets, end of year	$ 724,183	$ 687,408	$ 1,411,591

Funds with Deficiencies

The Organization does not have any funds with deficiencies.

Note 7 - Leases

The Organization's right-of-use assets and lease liabilities relate to office space.

Lease components in the Organization's leases are accounted for following the guidance in ASC 842 for the capitalization of long-term leases. At December 31, 2024, the lease liability is equal to the present value of the remaining lease payments, discounted using the U.S. Treasury rate constant maturity at each lease commencement date.

Lease activity for the year ended December 31, 2024 was as follows:

Lease cost:	
Operating lease cost	$ 34,228
Other information:	
Cash paid for amounts included in the measurement of lease liabilities:	
Operating cash flows from operating leases	$ 33,120
Weighted-average remaining lease term:	
Operating lease	0.58 years
Weighted-average discount rate:	
Operating lease	4.65%

Future minimum lease payments at December 31, 2024 are as follows:

Year Ending December 31:	
2025	$ 23,368
Total future minimum undiscounted lease payments	23,368
Less: Amount representing interest	404
Present value of future payments	$ 22,964

Note 8 - Contingencies

Employee Retention Credit

The Internal Revenue Service ("IRS") may undertake a review of the Employee Retention Credit ("ERC") for a period of three years from the date the amended return was filed. The Organization filed for a total refund of $308,464 in July 2023 for the first, second and third quarters of 2021. As of December 31, 2024, the Organization received payments of $219,244.

Note 8 - Contingencies (cont'd.)

Paycheck Protection Program

The Small Business Administration ("SBA") may undertake a review of a Paycheck Protection Program ("PPP") loan of any size greater than $150,000 during the six-year period following forgiveness or repayment of the loan. If selected, the review would include the loan forgiveness application, as well as whether the Organization met the eligibility requirements of the PPP and received the proper loan amount. In May 2020 and April 2021, the Organization received PPP loans in the amount of $243,298 and $205,367, respectively, and received full forgiveness of the PPP loans in September 2021 and August 2022, respectively. The Organization is subject to an SBA review until September 2027 and August 2028, respectively. Whether the Organization will be selected for an SBA review, as well as the timing and outcome, is not yet known.

Note 9 - Availability and Liquidity

The following represents the Organization's financial assets as of December 31, 2024, reduced by amounts not available for general use within one year. Total financial assets available to meet cash needs for general expenditures within one year at December 31, 2024 are as follows:

Cash and cash equivalents	$ 1,556,487
Investments	2,740,727
Accounts receivable	360,154
Total financial assets	4,657,368
Less: Internal or donor-imposed restrictions:	
Board designated	70,073
Purpose restricted	235,965
Endowments	1,411,591
Financial assets available to meet cash needs for general expenditures within one year	$ 2,939,739

There are board-designated reserves of $70,073 at December 31, 2024. Although the Organization does not intend to spend from these reserves, these amounts could be made available if necessary.

The Organization's goal is to maintain financial assets to meet one year of operating expenses. As part of its liquidity management, the Organization has a policy to structure financial assets to be available as general expenditures, liabilities and other obligations come due.

Note 10 - Subsequent Events

The Organization has evaluated all events or transactions that occurred after December 31, 2024 through August 20, 2025, which is the date that the financial statements were available to be issued. During this period, there were no material subsequent events requiring disclosure except as follows:

Subsequent to year-end, in June 2025, the Organization entered into a lease agreement for 5 months, commencing in September 2025 and ending in January 2026.